

Message Text

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PAGE 01 FLOREN 00186 051323Z

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TAGS: SOPN, IT

SUBJECT: THE FATE OF "IL TELEGRAFO" STILL IN QUESTION

REF: (A) 76 FLORENCE 394 (NOTAL), (B) 76 FLORENCE 424 (NOTAL),
(C) FLORENCE 085 (NOTAL)

1. THE TENACIOUS STRUGGLE FOR LIFE OF THE HUNDRED YEAR OLD LIVORNO DAILY "IL TELEGRAFO" IS NOW ENTERING ITS FINAL WEEK AFTER THE EXTENSION FOR A SECOND AND PROBABLY FINAL MONTH OF THE EMERGENCY TAKEOVER OF THE PAPER (REFTEL C) BY LIVORNO MAYOR ALI NANNIPIERI (PCI).

2. WHILE THE ODDS STILL FAVOR THE DEMISE OF TELEGRAFO, ITS RESOURCEFUL DIRECTOR OF 12 YEARS, CARLO LULLI, STILL HAS A TRICK OR TWO UP HIS SLEEVE.

3. IN AN APRIL 1 CONVERSATION WITH BPAO LAGAMMA, LULLI INFORMED US THAT HIS MAIN HOPE FOR SURVIVAL HINGES ON THE OFFER TO BUY THE PAPER FROM ZATTILIO MONTI BY CARLO CARACCIOLO, OWNER OF FAR LEFTIST DAILY "LA REPUBBLICA" AND WEEKLY "L'ESPRESSO".

4. ACCORDING TO LULLI, CARACCIOLO WILL EITHER BUY THE PAPER
UNCLASSIFIED

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PAGE 02 FLOREN 00186 051323Z

FROM MONTI OR, IF HE REFUSES OFFER, CARACCIOLO PROPOSES TO GIVE IT DECENT BURIAL AND RESURRECT PAPER AS "IL NUOVO TELEGRAFO", MOVING THE NEWSPAPER INTO A NEW PREFABRICATED PLANT EQUIPPED WITH MODERN SWISS PRESSES. NEW START WOULD DEPEND UPON ACCEPTANCE BY CORE OF PRESENT STAFF TO CONTINUE UNDER NEW MANAGEMENT. MOST DIFFICULT PART OF PACKAGE WOULD BE STAFF REDUCTION. OF 208 PRE-CRISIS TELEGRAFO EMPLOYEES, 170 STILL

REMAIN ON BOARD FOUNDERING SHIP--70 MORE THAN CARACCIOLO SAYS HE WOULD RETAIN.

5. LULLI, WARY OF DANGER POSED BY CARACCIOLO TAKEOVER TO PAPER'S TRADITIONAL MIDDLE-OF-ROAD EDITORIAL LINE, SEES HOPE THAT OFFER MAY AT LEAST PROVOKE LOCAL BUSINESS LEADERS, CENTRAL GOVERNMENT OR MONTI HIMSELF TO RECONSIDER AND BAIL OUT

LIVORNO DAILY AFTER ALL, SINCE HE BELIEVES OTHERS WOULD PREFER TO AVOID CARACCIOLO'S POLITICAL INFLUENCE.

6. COMBINATION OF FACTORS INCLUDING STAFF ATTRITION, INCREASED SALES (CIRCULATION RELIABLY REPORTED UP FROM 20,000 TO 40,000) AND ALSO EXPECTED NEWSPAPER PRICE HIKE (TO 200 LIRE) ALL NEW FACTORS WHICH ARGUE IN FAVOR OF POTENTIAL VIABILITY OF TELEGRAFO. LULLI BELIEVES THIS ALSO MIGHT HELP TO INDUCE MONTI AND OTHER POTENTIAL BUYERS TO RECONSIDER. FURTHERMORE, PAST MONTI POLICY HAS BEEN CHARACTERIZED AS ONE OF STRANGULATION. SINCE JOURNALISTS HAVE TAKEN OVER MANAGEMENT, THEY BELIEVE THEY HAVE DEMONSTRATED ECONOMIC VIABILITY OF THE PAPER.

7. WHEN ASKED ABOUT MORALE OF STAFF SURVIVORS, CHIEF EDITOR USED METAPHOR OF SUBMARINE CREW SUBMERGED FOR LONG PERIOD WITH NO ASSURANCE OF SURFACING. HE SAID HALF HIS CREW IS BRAVE, OTHER HALF PANICKY. ALL 300 JOURNALISTS HAVE ENJOYED SIX MONTHS AT ALMOST FULL SALARY UNDER SPECIAL GOVERNMENT NEWSPAPER SUBSIDY PROGRAM, AND ONLY RECENTLY HAVE BEGUN TO FEEL PINCH. TYPOGRAPHERS AND OTHERS HOWEVER LESS FAVORED AND HAVE BEEN HARDER HIT. SINCE EMPLOYEES COOPERATIVE WHICH HAS BEEN RUNNING TELEGRAFO UNCLASSIFIED

UNCLASSIFIED

PAGE 03 FLOREN 00186 051323Z

FOR PAST SEVEN MONTHS HAS NOT NEEDED TO PAY SALARIES, THE PAPER HAS ACCUMULATED SIZEABLE RESERVE FUND DURING CRISIS.

8. ATTITUDE OF DIRECTOR MONTI CORRECT TO DIRECTOR LULLI IS ONE OF DOGGED DETERMINATION IN FACE OF WHAT HE CONSIDERS CRAVEN BETRAYAL. LULLI CONVINCED THAT TELEGRAFO AXED SOLELY FOR PURPOSE OF EXPANDING CIRCULATION AND INFLUENCE OF SISTER-PAPER FLORENCE DAILY "LA NAZIONE". WE HAVE LEARNED THAT NAZIONE HAS ALREADY INITIATED CAMPAIGN OF GIVING FREE ONE-MONTH SUBSCRIPTIONS TO PRIME CLIENTS IN TELEGRAFO AREA. LULLI FURTHER EXASPERATED AT BRUTALITY OF TERMINATION, COMING AS IT DID WITHOUT WARNING. ON HIGHER PLANE, LULLI LAMENTS POLITICAL BETRAYAL AND/OR STUPIDITY OF NATIONAL AND LOCAL LEADERSHIP WHICH HAS PERMITTED TAKEOVER, ONE BY ONE OF NATION'S PRESS AND MEDIA BY FAR LEFT. AS IT IS, LULLI SAYS HE IS ASHAMED EACH DAY THAT HE MUST TELL HIS STAFF IT OWES SURVIVAL TO COMMUNIST MAYOR.

9. COMMENT: A NON-COMMUNIST DAILY IN A COMMUNIST CITY AND
SERVING A COMMUNIST AREA IS ON THE VERGE OF GOING UNDER. "IL TELEGRA
FO
IS NOT UNIQUE AMONG ITALIAN PROVINCIAL DAILIES (NORTHERN ITALY
ESPECIALLY HAS A NUMBER OF THEM) TJAT HAS LOST MONEY. BY ALL
LOGICM FOLLOWING THE MONTI DECISION TO END ITS LIFE, TELEGRAFO
SHOULD HAVE BEEN DEAD AND BURIED MONTHS AGO BUT FOR THE
EXTRAORDINARY EFFORTS OF ITS DIRECTOR WHO HAS ONE BY ONE
EXHAUSTED ALL AVENUES OFHOPE. HIS LAST CARD IS CARACCIALO AND
HE INTENDS TO PLAY IT IN THE HOPE THAT SOMEONE, PREFERABLY
MONTI, WILL STEP IN AND REWARD HIS EFFORTS BY SUSTAINING THIS
MIDDLE-OF-THE-ROAD PROVINCIAL PAPER OF POLITICAL SIGNIFICANCE.
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